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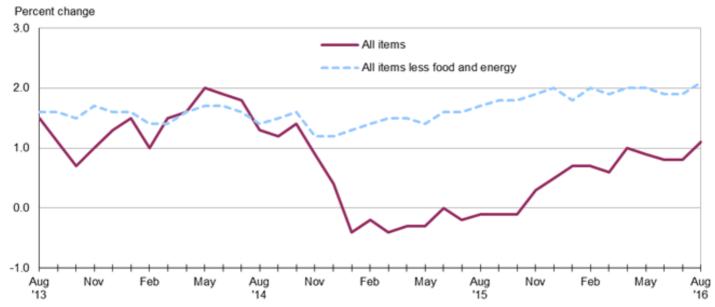
Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm, and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

Consumer Price Index, Northeast Region – August 2016 Regional prices up 0.1 over the month and 1.1 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Northeast inched up 0.1 percent in August, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that a 0.3-percent increase in the all items less energy index was moderated by a decrease in the energy index (-2.2 percent). Food prices were unchanged over the month. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the Northeast all items CPI-U increased 1.1 percent, due almost entirely to a 2.1-percent advance in the all items less food and energy index. (See <u>chart 1</u> and <u>table A</u>.) The food index inched up 0.1 percent over the year, while the energy index declined 7.9 percent. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Northeast region, August 2013-August 2016



Source: U.S. Bureau of Labor Statistics.

Food

The food index was unchanged since July as a 0.1-percent decline in prices for food at home was offset by a 0.1-percent increase in prices for food away from home.

From August 2015 to August 2016, the food index inched up 0.1 percent. Prices for food away from home increased 2.8 percent over the year, while those for food at home decreased 1.8 percent.

Energy

The energy index, which includes prices for household and transportation fuels, decreased 2.2 percent since July, due mostly to a 4.1-percent decline in gasoline prices. Prices also fell for electricity and utility (piped) gas service, down 0.7 and 1.0 percent, respectively.

The energy index fell 7.9 percent since August 2015, led by a 15.7-percent drop in gasoline prices. Prices for electricity also decreased over the year, down 0.7 percent, while prices increased for utility (piped) gas service, up 2.5 percent.

All items less food and energy

The index for all items less food and energy advanced 0.3 percent in August, led by a seasonal increase in apparel prices (3.4 percent) and higher prices for shelter (0.3 percent). Prices for education and communication also increased, up 0.5 percent over the month. These and other increases were moderated by a 0.5-percent decline in prices for household furnishings and operations.

Over the year, the index for all items less food and energy increased 2.1 percent, led by higher prices for shelter (3.0 percent). Prices were also higher over the year for medical care (4.5 percent) and education and communication (1.6 percent).

Table A. Northeast region CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

	20	12	20	2013 2014		14	20	15	2016	
Month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January	0.4	2.9	0.3	1.8	0.6	1.5	-0.2	-0.4	0.0	0.7
February	0.4	2.8	0.6	2.0	0.1	1.0	0.2	-0.2	0.2	0.7
March	0.5	2.5	0.0	1.5	0.5	1.5	0.3	-0.4	0.2	0.6
April	0.3	2.3	-0.1	1.1	0.0	1.6	0.1	-0.3	0.6	1.0
May	-0.1	1.7	0.0	1.2	0.4	2.0	0.4	-0.3	0.3	0.9
June	-0.2	1.5	0.1	1.5	0.0	1.9	0.3	0.0	0.2	0.8
July	-0.1	1.1	0.2	1.8	0.1	1.8	-0.1	-0.2	0.0	0.8
August	0.5	1.3	0.2	1.5	-0.3	1.3	-0.2	-0.1	0.1	1.1
September	0.5	1.7	0.1	1.1	0.0	1.2	0.0	-0.1		
October	0.1	1.9	-0.4	0.7	-0.2	1.4	-0.2	-0.1		
November	-0.2	1.8	0.1	1.0	-0.4	0.9	0.0	0.3		
December	-0.3	1.8	0.0	1.3	-0.5	0.4	-0.4	0.5		

The Consumer Price Index for September 2016 is scheduled to be released Tuesday, October 18, 2016, at 8:30 a.m. (ET).

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Northeast region is comprised of Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Northeast Region, (1982-84=100 unless otherwise noted) (not seasonally adjusted)

		Inde	YAS	Percent change from			
Expenditure category	Historical data	Jun. 2016	Jul. 2016	Aug. 2016	Aug. 2015	Jun. 2016	Jul. 2016
All items		255.532	255.449	255.605	1.1	0.0	0.1
All items (December 1977 = 100)		402.384	402.255	402.500			
Food and beverages		251.811	252.342	252.298	0.1	0.2	0.0
Food		251.891	252.378	252.325	0.1	0.2	0.0
Food at home		244.570	244.816	244.587	-1.8	0.0	-0.1
Food away from home		266.064	266.926	267.145	2.8	0.4	0.1
Alcoholic beverages		249.592	250.699	250.758	0.4	0.5	0.0
Housing		269.752	270.407	270.680	2.2	0.3	0.1
Shelter		333.809	335.313	336.263	3.0	0.7	0.3
Rent of primary residence (1)		333.885	334.853	335.487	2.9	0.5	0.2
Owners' equivalent rent of residences (1) (2)		345.267	346.019	346.822	2.8	0.5	0.2
Owners' equivalent rent of primary residence							
(1) ⁽²⁾		344.991	345.739	346.541	2.8	0.4	0.2
Fuels and utilities		209.618	208.943	207.358	-0.7	-1.1	-0.8
Household energy		184.895	184.098	182.288	-1.4	-1.4	-1.0
Energy services (1)		187.310	186.676	185.251	0.1	-1.1	-0.8
Electricity (1)		199.940	197.943	196.601	-0.7	-1.7	-0.7
Utility (piped) gas service (1)		147.273	149.579	148.078	2.5	0.5	-1.0
Household furnishings and operations		122.032	120.854	120.230	-1.8	-1.5	-0.5
Apparel		129.357	127.212	131.494	-0.2	1.7	3.4
Transportation		199.495	197.243	194.974	-3.2	-2.3	-1.2
Private transportation		189.906	188.370	186.611	-3.6	-1.7	-0.9
New and used motor vehicles (3)		97.405	97.594	97.158	-1.3	-0.3	-0.4
New vehicles		145.220	145.629	145.616	0.2	0.3	0.0
New cars and trucks (3) (4)		100.601	100.885	100.875	0.2	0.3	0.0
New cars (4)		136.206	136.594	136.451	-1.1	0.2	-0.1
Used cars and trucks		153.492	152.541	151.755	-4.1	-1.1	-0.5
Motor fuel		199.089	190.982	183.214	-15.7	-8.0	-4.1
Gasoline (all types)		198.374	190.233	182.452	-15.7	-8.0	-4.1
Gasoline, unleaded regular (4)		195.996	187.561	179.498	-16.3	-8.4	-4.3
Gasoline, unleaded midgrade (4) (5)		211.598	204.866	197.839	-13.4	-6.5	-3.4
Gasoline, unleaded premium (4)		206.724	200.745	195.160	-12.3	-5.6	-2.8
Medical care		486.391	488.465	489.714	4.5	0.7	0.3
Medical care commodities		392.462	393.316	393.896	3.8	0.4	0.1
Medical care services		512.509	514.973	516.436	4.7	0.8	0.3
Professional services.		371.300	374.076	374.265	3.0	0.8	0.1
Recreation (3)		121.264	120.913	121.040	0.1	-0.2	0.1
Education and communication (3)		140.844	140.870	141.590	1.6	0.5	0.5
Other goods and services		459.081	463.534	466.240	3.0	1.6	0.6
Commodity and service group							
Commodities		185.727	184.764	184.630	-2.0	-0.6	-0.1
Commodities less food and beverages		149.603	148.082	147.918	-3.4	-1.1	-0.1
Nondurables less food and beverages		187.694	184.975	185.123	-4.1	-1.4	0.1

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Northeast Region, (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

				Percent change from			
	Indexes						
	Historical	Jun.	Jul.	Aug.	Aug.	Jun.	Jul.
Expenditure category	data	2016	2016	2016	2015	2016	2016
Durables		105.620	105.176	104.785	-2.2	-0.8	-0.4
Services		323.018	323.713	324.129	2.7	0.3	0.1
Special aggregate indexes							
All items less shelter		228.676	228.008	227.873	0.0	-0.4	-0.1
All items less medical care		245.392	245.212	245.319	0.8	0.0	0.0
Commodities less food		153.235	151.781	151.623	-3.3	-1.1	-0.1
Nondurables		219.626	218.415	218.474	-1.9	-0.5	0.0
Nondurables less food		191.307	188.817	188.959	-3.8	-1.2	0.1
Services less rent of shelter (2)		322.633	322.490	322.351	2.4	-0.1	0.0
Services less medical care services		309.940	310.518	310.865	2.5	0.3	0.1
Energy		190.756	187.052	182.872	-7.9	-4.1	-2.2
All items less energy		264.741	265.024	265.619	1.8	0.3	0.2
All items less food and energy		268.707	268.957	269.665	2.1	0.4	0.3

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

Note: Index applies to a month as a whole, not to any specific date.

⁽²⁾ Indexes on a December 1982=100 base.

⁽³⁾ Indexes on a December 1997=100 base.

⁽⁴⁾ Special index based on a substantially smaller sample.

⁽⁵⁾ Indexes on a December 1993=100 base.